

# EXHIBIT 1

FILED: NEW YORK COUNTY CLERK 09/26/2014 04:04 PM  
NYSCEF DOC. NO. 1

INDEX NO. 652948/2014

RECEIVED NYSCEF: 09/26/2014

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

DOV MALNIK and TOMER FEINGOLD,

Plaintiffs,

v.

MUDGY WATERS, LLC, CARSON BLOCK, and  
JOSHUA STEINBERG,

Defendants.

**SUMMONS WITH NOTICE**

Index No. 652948/2014

Purchased: September 26, 2014

Plaintiff designates New York  
County as the place of trial

Venue is proper in this County  
pursuant to CPLR § 503(a)

TO THE ABOVE-NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to appear in this action by serving a notice of appearance upon the undersigned at the address set forth below within twenty (20) days after the service of this summons, exclusive of the day of service, or within thirty (30) days after service is complete, if this summons is not personally delivered to you within the State of New York.

NOTICE: This is an action for damages for breach of oral promises and agreements on which plaintiffs reasonably relied, for declaratory judgment pursuant to New York Civil Practice Law and Rules § 3001, and for injunctive relief. Plaintiffs Dov Malnik and Tomer Feingold and defendants Carson Block and Joshua Steinberg had a series of meetings, including in New York, New York, during which they orally agreed to research certain publicly traded companies and to publish research reports on those companies, based on publicly available information, under the name "Muddy Waters." For several years, the parties worked together to develop "Muddy Waters" into a recognized and valuable brand.

Defendants have recently wrongfully asserted control over the jointly-developed brand and have excluded plaintiffs from participating in ongoing research projects and operations of "Muddy Waters" and its affiliates' research projects and operations and have excluded plaintiffs from access to information concerning those projects.

Defendants Muddy Waters, LLC and Mr. Block have also wrongfully alleged that plaintiffs have "engaged in extensive tortious and fraudulent contact against Mr. Block personally and Muddy Waters, LLC." Those defendants have also wrongfully alleged that plaintiffs "have misappropriated information from [Mr. Block personally] and Muddy Waters, LLC to engage in unauthorized trading on behalf of themselves and others," and are "liable to Mr. Block for civil damages."

Plaintiffs' action seeks (i) damages from defendants equal to the value of plaintiffs' ownership interest in the jointly-developed brand, in an amount to be determined at trial; (ii) a declaration that plaintiffs (a) have not misappropriated information from defendants, did not engage in unauthorized trading, and do not have now and never did have any duty to defendants that would in any way restrain or restrict plaintiffs' ability to purchase or sell securities, or otherwise execute any securities trading strategy, now or at any time; and (b) that plaintiffs have not violated any other purported duty to defendants; and (iii) an order enjoining defendants from publishing any "Muddy Waters" or affiliated entities' research reports in any non- "Muddy Waters" outlet or media, which may cause irreparable harm to the jointly-developed brand

YOU ARE HEREBY NOTIFIED THAT should you fail to answer or appear, a judgment will be entered against you by default for the relief demanded herein.

Dated: New York, New York  
September 26, 2014

**REISS SHEPPE LLP**

By: /s/ Daniel J. Brown

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-and-

**SKIERMONT PUCKETT LLP**

Paul J. Skiermont  
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**TO DEFENDANTS:**

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Beverly Hills, CA 90212  
Telephone: 310-988-4296  
*Counsel for Carson Block*

JOSHUA STEINBERG

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

DOV MALNIK and TOMER FEINGOLD,

Plaintiff/Petitioner,

- against -

Index No. 652948/2014

MUDDY WATERS, LLC, CARSON BLOCK,  
and JOSHUA STEINBERG,

Defendant/Respondent.

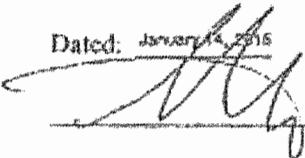
**NOTICE OF COMMENCEMENT OF ACTION  
SUBJECT TO MANDATORY ELECTRONIC FILING**

PLEASE TAKE NOTICE that the matter captioned above, which has been commenced by filing of the accompanying documents with the County Clerk, is subject to mandatory electronic filing pursuant to Section 202.5-bb of the Uniform Rules for the Trial Courts. This notice is being served as required by Subdivision (b) (3) of that Section.

The New York State Courts Electronic Filing System ("NYSCEF") is designed for the electronic filing of documents with the County Clerk and the court and for the electronic service of those documents, court documents, and court notices upon counsel and self-represented parties. Counsel and/or parties who do not notify the court of a claimed exemption (see below) as required by Section 202.5-bb(e) must immediately record their representation within the e-filed matter on the Consent/Represent page in NYSCEF. Failure to do so may result in an inability to receive electronic notice of document filings.

Exemptions from mandatory e-filing are limited to: 1) attorneys who certify in good faith that they lack the computer equipment or (along with all employees) the requisite knowledge to comply; and 2) self-represented parties who choose not to participate in e-filing. For additional information about electronic filing, including access to Section 202.5-bb, consult the NYSCEF website at [www.nycourts.gov/efile](http://www.nycourts.gov/efile) or contact the NYSCEF Resource Center (phone: 646-386-3033; e-mail: [efile@nycourts.gov](mailto:efile@nycourts.gov); mailing address: 60 Centre Street, New York, New York 10007).

Dated: January 4, 2015

  
(Signature)

Trevor J. Welch

(Name)

Kasowitz, Benson, Torres & Friedman

(Firm Name)

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(Address)

New York, New York

212-506-1747

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(E-Mail)

To: Defendants  
(Attachment A)

Attachment A

TO DEFENDANTS:

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